

**Jefferson County Commissioner Special Meeting Minutes
June 5, 2012**

Meeting called to order at 3:00 pm. Those present are Chairman Karren, Commissioner Hegsted, Commissioner Raymond, Robin Dunn, and Christine Boulter. Emily Kramer is clerk of the board.

Farrell Steiner – Searle & Hart

• **County Audit**

Farrell mentions that the Independent Auditor's Report is an auditor's opinion. Commissioner Raymond asks if we are questioned on the deficiencies do we refer people to them. Farrell says yes. Farrell mentions when they go through the audit they are looking to see if the numbers in the financial statement are material. Farrell mentions the different fund types starting on page 16. A true special revenue fund is normally restricted by statute or another outside source. Chris asks if we are okay with having the PILT fund. Farrell says it is really general fund money and not restricted. Farrell mentions transferring to Road & Bridge from District Court, but it would need to be a loan not a transfer. Robin mentions the payback period should be mentioned in the resolution. Robin says to think what a bank would do. Farrell says you need to make sure it's recorded in the minutes with the payable and receivable posted as cash. Commissioner Raymond comments that the household solid waste fee that is collected is a dedicated fee and the tonnage fees are not dedicated fees. Farrell says he made contact with the IAC and the IAC's opinion is that the tonnage fee is general revenue of the county. Robin says the tonnage fees can be used for the courthouse payment because there was a judicial review and it was authorized. Robin says to use the money for other departments no formal opinion has been given by the court system. The safest most conservative method is a loan. Farrell says he'd rather have a court opinion vs. the IAC. Commissioner Raymond asks hypothetically if we have a department that we can't increase the levy because of statute, but the revenue requirements are higher, do we make an interdepartmental loan, and if so how do we pay it back. Farrell says we can look at other funds and we are authorized to set up a debt service fund. Farrell suggests rather than keeping the money in PILT to transfer the tonnage fee money into the debt service fund. Farrell comments that we have paid the courthouse payment out of the PILT fund for 3 years. Farrell says if we have a lot of other money sitting in there, he doesn't know. Commissioner Raymond asks if we can borrow from the debt service for capital expenditures. Farrell says we probably should use PILT. Farrell mentions he did a fiscal inventory with Jim Boulter. Farrell verified the addition at the weed department. Farrell says one concern is the county spending all its cash down to nothing. Farrell mentions that Road & Bridge at year end had a small cash balance, but if we take into account outstanding warrants, this puts available cash in a negative balance. These cash deficiencies appear to extend into the current fiscal year. Farrell says if we use the other fees to pay the courthouse payment and use PILT to cover the other then that's an idea. Farrell mentions that in the Sheriff's Office the driver's license has a separate bank account. Farrell suggests closing that account out and for them to do a daily turnover and print a report. Farrell says the Clerk's Office would AC the money into a driver's license trust account. They would print a monthly report and we would clear out the trust and send the money. Farrell says we have a Motor Vehicle Trust. Kristine says security is a big issue. Kristine says she is very favorable towards Farrell's suggestion.

Zions Bank

- **Negotiated Private Bond Sale**

Discussion held on the private bond sale. Alan explains that the benefit of the financing was to extend the final payment of the refinanced debt and to restructure the debt with fixed rates. Alan says the payment will not be higher than what we budgeted for and we won't make another cash payment this year. March 15, 2013 will be our next interest only payment and principal and interest payment will be on September 15, 2013. They explain that what we had budgeted for is no different than what we already contributed.

Motion by Commissioner Raymond to approve the bond resolution authorizing the issuance of the \$6,065,000 General Obligation Refunding Bond, Series 2012 to refinance the courthouse bonds. Second by Commissioner Hegsted. Roll call taken. Hegsted – aye. Raymond – aye. Karren – aye. Motion passed unanimously.

Motion by Commissioner Hegsted to approve the Post-Issuance Tax Compliance Procedures for Tax-Exempt Bonds. Second by Commissioner Raymond. Hegsted – aye. Raymond – aye. Karren – aye. Motion passed unanimously.

Farrell Steiner – Searle & Hart

- **County Audit**

Farrell feels it would be helpful for Computer Arts to meet with departments and the Commissioners and discuss the various reports available. Kristine asks about back dating ACs. Farrell says at the end of September we keep the books open and pay out claims and back date ACs, but it makes reconciling a total nightmare. Farrell suggests cutting off on September 30th, and all warrants after that are dated for the next fiscal year. A suggestion of talking to department heads to get their bills in and revenue in by September 28th is made. Farrell says we would do an adjusting entry for a grant. Farrell goes through the bar graphs. Farrell mentions the special highway trust and the transfer in 2009 is where we shut the trust fund down. Robin asks what a good debt service ratio is. Farrell says he can't answer that. Farrell mentions we need to get some of our leases paid off and plan for the balloon payments. Farrell asks why we have 2 weed funds (weed revolving, weed fund). Chris explains. Farrell mentions the Justice Fund is funding its self. Robin says the Sheriff's Office is doing the best out of departments with revenue. Farrell says the total governmental operations chart reflects our debt. He suggests that we look at it and determine if borrowing is really what we want to do. Farrell mentions that when the public requests information, usually what they want is included in the first six pages of the audit report.

Meeting adjourned at 4:56 pm.

Chairman of the Board

Clerk of the Board

County Clerk